Eighth Annual Report

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The Workers' Compensation Board — Alberta

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The Workers' Compensation Board Alberta

KENNETH C. PALS
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DR. A.E. (BERT) HOHOL
VICE-CHAIRMAN

PETER KOLBA
BOARD MEMBER

MORRIS E. BAHRY
BOARD MEMBER

ROY H. JAMHA
BOARD MEMBER

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The Lieutenant Governor in Council,
Province of Alberta
Edmonton, Alberta

Your Honour,

In accordance with Section 87, subsection (2) of the Workers' Compensation Act, the Workers' Compensation Board is pleased to present its annual report for the year ended December 31, 1985.

Kenneth C. Pals
Chairman and Chief Executive Officer

Dr. A. E. (Bert) Hohol
Vice-Chairman

Peter Kolba
Board Member

Morris Bahry
Board Member

Roy H. Jamha
Board Member

The Board

Left to Right Seated: Dr. A.E. (Bert) Hohol, Vice-Chairman; Kenneth C. Pals, Chairman and Chief Executive Officer; Roy H. Jamha, Member; Left to Right Standing: Peter Kolba, Member; Morris Bahry, Member.

Kenneth C. Pals
Chairman

Mr. Pals was appointed Chairman and Chief Executive Officer January 18, 1984. He has a background of financial and administrative experience from the banking and petroleum industries. Prior to his appointment, he served in managerial and executive positions with the Bank of Montreal, Pacific Petroleums Ltd. and Petro-Canada. He is a graduate of the Banff School of Advanced Management and a member of the Board of Directors of the Edmonton Concert Hall Foundation.

Dr. A. E. (Bert) Hohol
Vice-Chairman

Dr. Hohol was appointed Vice-Chairman of the Board on March 1, 1982. He has served as a Board Member since May 1979. Formerly an educator and administrator in the Alberta public school system, Dr. Hohol also served as an MLA and held the portfolios of Manpower and Labour, and Advanced Education and Manpower in the Alberta government.

Peter Kolba
Member

Appointed to the Board in 1974, Mr. Kolba brings to his position a deep understanding of the problems of disabled workers. Prior to his appointment, he served as Secretary-Treasurer of the Alberta Federation of Labour. He was also the fuil-time Alberta representative of the United Food and Commercial Workers Union, formerly the Canadian Food and Allied Workers Union.

Morris E. Bahry
Member

Mr. Bahry was appointed to the Board effective March 1, 1982. Prior to his appointment, he held a variety of management positions in marketing and customer service industries. He has owned several businesses in Alberta and British Columbia. Mr. Bahry has extensive senior level involvement in community service organizations.

Roy H. Jamha
Member

Formerly a labour relations consultant and a member of the Alberta Board of Industrial Relations, Mr. Jamha assumed the chairmanship of the Board in January 1973. He is a past president of the Alberta Federation of Labour and a representative of the Energy Workers Union, formerly the Oil, Chemical and Atomic Workers Union. Effective January 1, 1984, Mr. Jamha relinquished the position of Chairman and was appointed to serve as a Board Member.

Mission Statement of the WCB — Alberta

To administer the Workers' Compensation Act by providing compensation benefits and rehabilitation services to those workers who have been involved in a work related accident or exposed to an occupational disease, or, in the case of a fatality, to their dependents.

To levy and collect assessments from employers protected by the Act in a manner that is both fair and equitable.

To achieve a level of excellence in fulfilling its purpose by operating in a manner that is prompt, prudent and without bias.

The Board, in its activities, will seek and encourage the continuing participation of all staff in achieving these stated objectives.

Statement of Rights for Workers and Employers Under the Workers' Compensation Act of Alberta

The Workers' Compensation Act of Alberta entitles both workers and employers to many rights in matters relating to the administration of the Act.

Helping you exercise your rights under the Workers' Compensation Act is an important role of the Workers' Compensation Board staff throughout Alberta.

Fairness and Impartiality

You have the right to a fair and impartial determination of any issue arising out of the Act.

Appeal

You have the right to appeal any decision which directly affects your interests, in the first instance to a statutory Review Committee and then to the Members of the Board.

You have the right to a review of any previous decision by the Workers' Compensation Board on the submission of new information.

Presumption of Honesty

You have the right to be presumed honest unless shown to be otherwise.

Courtesy and Consideration

You have the right to courteous and considerate treatment from all Workers' Compensation Board staff.

Access to Information

You have the right to examine any document relevant to a decision directly affecting your interests.

Privacy and Confidentiality

You have the right to privacy and confidentiality, and are assured that information given to the WCB will be used only for the purposes allowed by the Workers' Compensation Act.

Report of the Board

Workers' Compensation — the human aspect

When new and sweeping Workers' Compensation legislation came into effect in Alberta in 1918, it sought to deal with the human problems brought about by disability and loss of income suffered by workers as a result of industrial accidents.

The legislation addressed these problems by establishing workers' compensation as a no-fault industrial accident insurance program funded by employers and controlled by provincial legislation. Employers were required to assume liability on a collective basis for compensating injured workers for loss of income due to industrial accidents. Compensation was paid from an accident fund financed by assessments levied against all employers covered under the legislation. Administrative control of the fund became the responsibility of a government appointed board — the Workers' Compensation Board.

The compromise was clear. Workers were offered protection from income loss due to work related injuries on a no-fault basis. However, at the same time, these workers were denied the right to sue their own, or any other employers or workers covered by the Act. Employers were required to finance the program and, as part of the compromise, were relieved of legal liability of negligence.

Today, although the workplace is far more complex, more occupations have evolved and many more workers enjoy the protection of Workers' Compensation legislation — the basic human problems are still similar in many ways.

With this in mind, the board developed the "total person" concept to deal with the needs of the whole individual in workers' compensation cases.

In addition to wage loss replacement, workers' compensation in Alberta seeks to:

- restore injured workers to their role as productive members of society;
- reduce human suffering due to work-related injury or disease;
- reduce the cost to society of assisting injured workers; and
- generally provide the fullest range of services possible to the injured worker.

The board's responsibility to employers, as individuals and groups, to determine fair assessments under the principle of collective liability, also continues to be of major importance.

In 1985, these considerations, together with the condition of the economy, brought the human aspect of workers' compensation in Alberta to the forefront. Consequently, our major efforts during the year were focused on addressing the people-oriented concerns of both the workers and employers. We continued to examine our systems and functions to ensure maximum service levels to our clients were maintained. As a result, we approved a new service delivery system for claims, which will be developed during 1986. We also approved a new experience rating program for employers and a new rate setting approach based on industry as opposed to classification. These programs were widely discussed with and accepted by employers during 1985. Rate setting by industry will be put in place in 1986, and experience rating will become fully effective January 1, 1987. Implementation of these new programs allowed us to reduce 1986 assessment rates for 74% of employers covered by workers' compensation in the province. These new systems are a breakthrough in the board's approach to funding. They will acknowledge differences in accident experience at the industry and employer levels by more accurately reflecting the experience of an industry and allowing employers to earn discounts or surcharges based on their own performance. Workers, too , will benefit from these new

programs. They will provide industries and employers with incentives to reduce the number of work-related accidents in Alberta and promote greater safety in the workplace.

The importance of reducing industrial accidents as being the primary means of curtailing the costs of workers' compensation was stressed in the board's constant efforts to maintain and improve communication with employers and workers. To this end, our staff co-operated with the Occupational Health and Safety division to broadcast this message at every opportunity.

Improved communication played an important part in the claims and assessment functions and can be credited, along with high standards of adjudication and assessment administration, for a reduction in the total number of decisions appealed during the year. This is particularly noteworthy in view of the fact that both the total number of claims and the number of registered employers increased.

In1985, as in previous years, we explored every avenue of improving efficiency and cost effectiveness within the organization. Where possible, some operations were phased out after we determined that resources in the community were providing good quality service and could ensure that injured workers would continue to receive expert and specialized treatment.

Careful attention was paid to maintaining the board's strong financial position. Recognizing the fragile economy the Board decided, for the third consecutive year, not to increase assessment rates. This action, coupled with a requirement for increased actuarial reserves for specific claims costs, caused the unfunded liability to increase from 114 million dollars to 129 million dollars. With the increase in total assets, the board continues to be over 90% fully funded — a relatively strong position.

As we predicted in last year's annual report, an upward economic trend in the province led to an increase in the board's activities. The staff were prepared for this challenge and met it with great professionalism and effectiveness. We are satisfied that all staff are constantly striving to achieve a level of excellence in fulfilling the purpose of workers' compensation by operating in a manner that is prompt, prudent and without bias. The outstanding performance of our employees during a period of continued restraint and sometimes trying circumstances, attests to the high level of commitment by this organization to serving the injured workers as well as employers of Alberta. This demonstration of competence and support allows us to take pride in the board's achievements during 1985 and to look forward with confidence to the challenges which lie ahead.

Claims Services

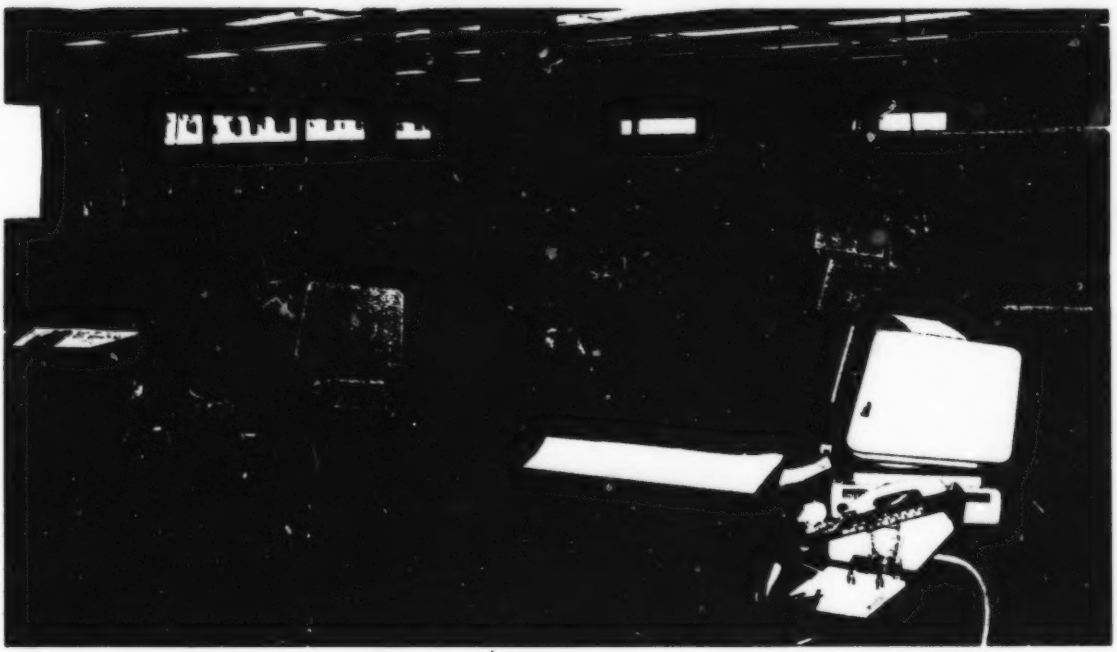
Improved service delivery to injured workers

Improved service was a priority in 1985. Consequently, Claims Services took a critical look at service delivery in light of the newly-approved mission statement for the organization. Objectives were forged to humanize and co-ordinate services in order to further the WCB's goal of returning the worker to employment and independence. The WCB and community experts in the field of medicine, psychology, rehabilitation and administration worked together to meet the special needs of individual workers.

Medical research was conducted and results shared with the medical community in a co-operative effort to resolve shared treatment problems and make modern treatment equipment and facilities more available to injured workers. Medical information was also shared with the worker and employer on individual claims to help them achieve a better understanding of the recovery process and the work potential of the disabled worker.

John Wisocky
Executive Director,
Claims Services

Communications with clients and community members improved in 1985 as emphasis shifted to increasing personal contact and setting standards for delivery of a more personalized service in written and verbal exchanges. This was further enhanced by making claim files available for review by clients.



Sharing information improved understanding of decisions and encouraged workers to participate in planning activities which affect their recovery and rehabilitation.

During 1985, more workers took advantage of WCB rehabilitation programs for skill and educational upgrading. These programs are designed to improve and develop individual potential and make the injured worker's re-entry into a competitive job market easier. Marketing strategies for rehabilitation incentive programs were revitalized to encourage more employers to hire disabled workers.

Overall, operating within the framework of present restraints relative to staff complement, Claims Services provided more specialized, integrated services in 1985, and sought to deliver these services in a more humanistic and equitable manner.

Claims

Quality of service and increased productivity was the theme of the Claims department in 1985. This approach was geared to meet the expected increase in claims — 12% over 1984 — while maintaining previous staffing levels. This was achieved through changes in work distribution, upgrading and cross-training of staff combined with improved availability of computer information.

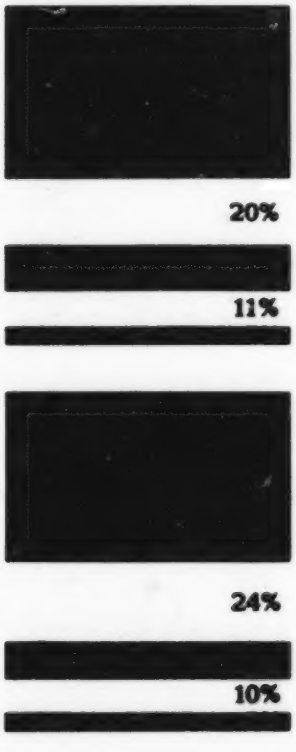
The board's overall thrust toward improved communication was assisted by the Claims department. Through re-assignment of staff, an experienced claims counsellor was appointed and permanently stationed in Lethbridge in addition to those now located in Edmonton and Calgary. These counsellors travel to all regional WCB offices to give assistance to workers and employers who may have problems with claims. During 1985, the visits by counsellors to regional offices were increased. At the same time, Claims telephone answering staff assisted adjudicators by handling

over 260,000 inquiries. Expanded word processing capability allowed more efficient utilization of staff.

Continued quality control resulted in greater promptness of initial and continuing payments; and means of identifying claims requiring an interdisciplinary approach to rehabilitation were improved. Contributing also to high quality adjudication was the Claims training section which continued to supply competent, trained adjudicators to fill the requirements of the Claims department.

The staff of the Claims department found 1985 to be an interesting and challenging year, with significant accomplishments in improving the board's overall level of service.

Volume and Type of Claims Administered in 1984 and 1985



Summary of Claims Administered

	1985	1984
Claims under active administration as of January 1st	17,879	14,545
Accidents (all types) reported during the year[1]	62,626	55,732
Previously closed claims reopened during the year	5,625	5,319
Total Claims Administered	86,130	75,596
Claims in which a pension award or final payment of compensation was made	48,004	41,228
Claims in which medical aid only was payable	9,553	7,898
Claims in which neither compensation nor medical aid was payable[2]	11,243	8,591
Sub-Total of Claims Administered	68,800	57,717
Claims under Active Administration as of December 31st	17,330	17,879
Total Claims Administered	86,130	75,596

[1] Accidents of all types include pensions, lost time claims, no lost time claims, and claims in which a judgment is pending. Non-compensable claims are also included in this category.

[2] Refers to an accident which was not in the course of employment, covered under the Act, or was not established.

Cross-Referenced Breakdown for 1985

Status at Year End	Claims Under Active Administration as of January 1st	Accidents Reported in 1985	Re-opened Claims in 1985	Total
Pension Awarded	2,023	119	2,035	4,177
Compensation Paid	8,127	33,792	1,908	43,827
Medical Aid Only Paid	1,404	7,664	485	9,553
Non-Compensable	2,315	8,864	64	11,243
Still Active	4,010	12,187	1,133	17,330
Total	17,879	62,626	5,625	86,130

Permanent Disability Awards Approved in 1985 by Part of Body Affected[1]

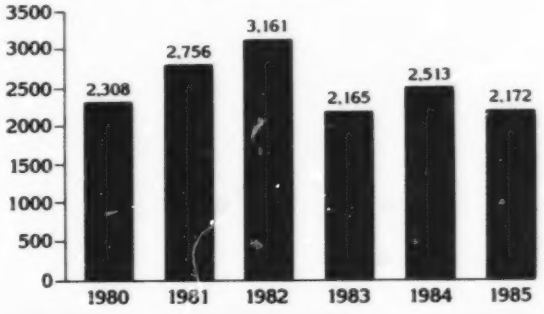
	1985	1984
Back	657	694
Thumb or Finger	519	676
Leg	202	225
Arm	178	171
Ear[2]	156	163
Foot	112	142
Hand	93	127
Multiple Body Parts	52	63
Head or Face	52	48
Toe	36	42
Pelvis or Hip	32	42
Miscellaneous	26	25
Eye[3]	26	53
Pulmonary System	21	21
Heart	10	21
Total	2,172	2,513

[1] Note: These data do not sum to total in Summary of Claims Administered (Pensions) due to different selection criteria. Figures represent carried over pensions from prior years. See Table 1 for accidents resulting in pensions accepted in the calendar year.

[2] Ear refers to loss of hearing.

[3] Eye refers to loss of vision.

Total Number of Disability Awards Approved By Year

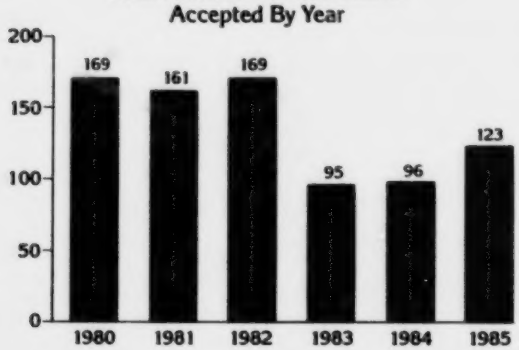


Fatalities Accepted in 1985 by Type of Accident

Type of Accident	Accident[1] Occurred in 1985	Accident Occurred Prior to 1985	Total
Motor Vehicle[2]	39	3	42
Heart Attack	9	10	19
Mobile Equipment	8	—	8
Fire Explosion	8	—	8
Falling Object(s)	8	—	8
Asphyxia, Drowning	6	1	7
Falls from Elevation	5	2	7
Electrocution	2	—	2
Stationary Equipment	2	—	2
Load Materials (e.g., earth)	1	—	1
Flying Object(s)	1	—	1
Cave-in	1	—	1
Aircraft	1	—	1
Silicosis	—	1	1
Miscellaneous[3]	3	12	15
Totals	94[4]	29	123

[1]Note: Accident occurred in the Calendar Year.
[2]Note: Four (4) fatalities involved train accidents.
[3]Note: This category includes occupational diseases, e.g. lung cancer.
[4]Note: Thirteen (13) fatalities fell under the jurisdiction of the Federal Government of Canada.

Total Number Of Fatal Claims Accepted By Year



Number of New Claims Reported by Part of Body in 1985[1]

	1985	1984
Back	14,199	13,046
Fingers	7,399	6,206
Toes, Feet or Ankles	6,325	5,491
Chests, Hips or Shoulders	5,724	5,070
Multiple Injuries	4,728	3,832
Hands or Wrists	4,418	3,958
Arms	3,544	2,883
Knees	3,475	3,165
Head or Neck	3,373	2,976
Eyes	3,266	2,877
Non-Personal Damage	3,071	3,045
Legs	2,227	1,913
Body Systems	794	739
Unclassified	83	531
	62,626	55,732

Number of New Claims Reported Nature of Injury in 1985[1]

	1985	1984
Strain or Sprain	25,776	23,162
Bruise	9,906	9,239
Cut or Laceration	8,116	6,867
Fracture or Dislocation	4,353	4,168
Multiple Injuries	4,227	2,853
Non Personal Damage	3,071	3,045
Burn or Scald	2,216	1,916
Bursitis or Synovitis	2,006	1,806
Unclassified	977	1,010
Dermatitis or Systemic Poisoning	671	556
Other Industrial Disease	391	370
Other Industrial Injury	380	339
Arc or Welding Flash Burn	379	273
Temperature Effects	137	75
Amputation	18	45
Radiation Effects	2	8
	62,626	55,732

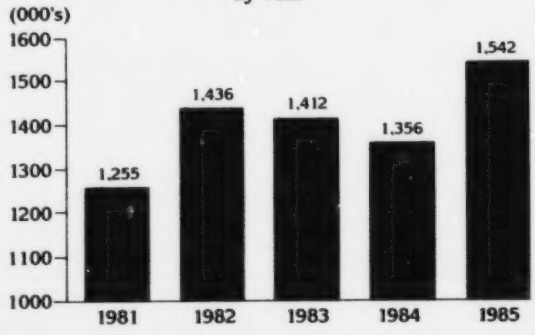
[1] Note: Claims refers to all types of injuries (Lost Time, Pensions, Medical Aid, etc.) and to accidents where the claim has not been either accepted or rejected.

Summary of Compensation Days Paid for the Years 1981-1985[1]

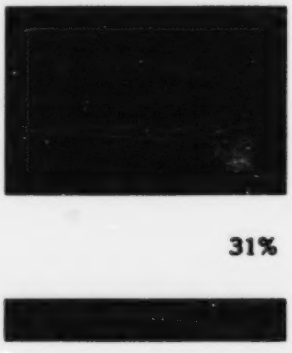
Year of Accident	1981	1982	1983	1984	1985
Current Year	756,020	822,851	733,354	724,713	862,018
Previous Year	374,091	431,303	468,013	380,254	478,337
Prior Years	125,258	182,187	211,039	250,684	201,587
TOTAL	1,255,369	1,436,341	1,412,406	1,355,651	1,541,942

[1]Note: The total number of compensation days paid by the WCB are shown for each year. Using the figures of 1985 as an example: Current year indicates 862,018 days paid on behalf of claims filed in 1985; Previous year indicates 478,337 days paid in 1985 on behalf of claims carried over from 1984; and Prior years indicates 201,587 days paid in 1985 on behalf of claims carried over from years prior to 1984.

Compensation Days Paid (000's) by Year



Compensation Days Paid in 1985 by Year of Accident Occurrence



Accident Year 1985	862,018
Accident Year 1984	478,337
Accident Year Prior to 1984	201,587

Medical

The increase in the number of accidents reported during the year had an impact on the board's Medical department.

In 1985, the average number of claim files in this department on any given day increased by 82% to 1,550 from 850 in 1984.

Claims for back injuries continued to be a major concern as problems related to the lumbosacral spine represented 40% of all files submitted to the medical advisory section. In order to address this problem, one unit was created to deal with low back problems, and another unit to deal with injuries to the head and cervical spine was also set up.

To assist in ensuring that speedy adjudication is possible at all times, it was arranged for a group of twenty-six part-time independent specialists to be available as consultants to the Medical department. These consultants representing most of the medical specialities, were involved in over 2,500 consultations during the year.

In keeping with the board's emphasis on service and communication, the Medical department carried out various research activities, and published papers in medical journals and publications. In addition, a series of lectures was given by members of the Medical department to

outside institutions. Topics such as hydrogen sulphide exposure, mesothelioma, isocyanates, lead exposure, occupational lung disease, thoracic outlet syndrome, spondylolisthesis and hearing loss were included in the research conducted by the Medical department.

In order to keep abreast of the increasing and changing knowledge in medicine, the department's physicians were encouraged to participate in continuing medical education activities. They took part in meetings on occupational health problems, hazards in the work place and occupational safety, courses in orthopaedic medicine, seminars on rehabilitation, a symposium on the spine, and visits to pain clinics.

Rehabilitation Centre

For injured workers who require such services, the WCB, through its Rehabilitation Centre, provides or, as appropriate, purchases comprehensive rehabilitation services to meet workers' physical, social and psychosocial needs.

During 1985, the Rehabilitation Centre worked to ensure the needs of injured workers would be met. Treatment was extended to over 1,500 WCB claimants during the year. This, however, was a drop of 24% compared to 1984 and resulted in part from the shortage of professional therapy personnel in the province. Because of this, many clients had to be referred to outside agencies. Consequently, the Rehabilitation Centre concentrated on the more serious and complex cases, which is reflected in the increase in the average length of stay to forty-four days in 1985, from thirty-three days in the previous year.

The challenges which the Centre was required to meet during the year, highlighted the need for an examination of existing systems. This was done; major planning was completed; and a proposal submitted to the board for re-organization at the Centre aimed towards achieving a total rehabilitation approach.

Involvement with community services was greatly increased in the medical, physical therapy

and psychology fields. Medical specialists attended the Centre regularly to provide valuable input. The Centre's Psychology department experienced major increases in the workload and have sub-contracted services to psychologists throughout Alberta.

The Prosthetic Orthotic department was phased out in November 1985, following the determination that resources in the community were providing good quality service.

Since back injuries are a major portion of all accidents reported, it is pleasing to note that the Rehabilitation Centre's back education programs were recognized in the community for their high quality and there is increased demand from industry for more back education seminars.

Overall, the Rehabilitation Centre explored numerous avenues and employed the resources at its disposal in helping injured workers achieve and maintain a maximum level of functional independence in relation to self, family, home and community.

Vocational Rehabilitation

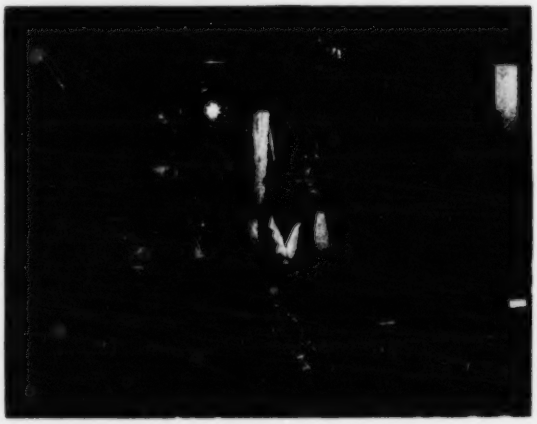
The Vocational Rehabilitation department continued to experience the effect of high unemployment in its efforts to assist workers' return to gainful employment.

During 1985, a major effort was directed at identifying and evaluating incentives for employers to hire disabled workers. The development of a more comprehensive marketing strategy to capitalize on these incentive programs was initiated.

This emphasis resulted in a marked increase in training-on-the-job programs in 1985. Work assessment programs also increased significantly. General work assessment, arranged with an employer, an educational facility or training institution, is geared to assess the worker's general employment potential or suitability for a specific job or skills area. Pre-employment work assessment, arranged with an employer, is set up to evaluate in an industrial setting, specific suitability, work skills and physical or cognitive capacity for a specified job or skills area.

Educational and other skill training programs also increased but were offset by a small decrease in the amount spent on re-employment assistance.

The department is participating in a cost effectiveness study as a member of the International Association of Industrial Accident Boards and Commissions. The findings of this study will assist in improving rehabilitation planning and program development, as well as clarify the value of effective rehabilitation.



Administration

Cost Effectiveness and Efficiency

During the year, efforts begun in previous years to exercise fiscal restraint and improve efficiency were continued and refined.

All WCB departments involved in administrative support functions worked in an atmosphere of interdepartmental co-operation with all other departments within the organization to ensure speedy service delivery and cost effective operation. Support systems throughout the board were examined and improved to provide facilities and an environment which would allow staff to function at maximum productivity.

Administrative Services

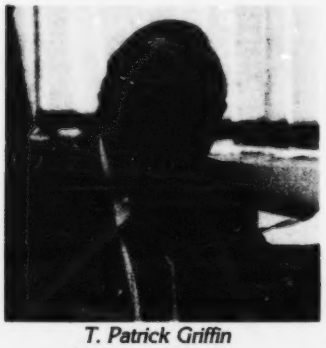
In keeping with the board's policy of strict economy, all purchases and renovations were scrutinized to ensure they were justified and cost effective. Distribution and updating of the policy manuals were continued.

Personnel

During 1985, there was a commitment to more formalized human resource planning to meet the staffing requirements of the board.

The target of reducing the complement of permanent employees to 1,029 by the end of 1985 was achieved.

In order to enhance the capabilities of staff, the board maintained its commitment to and support of staff development. During the year many staff members availed themselves of in-house seminars, courses and programs offered by the provincial government and various educational institutions.



T. Patrick Griffin
Executive Director,
Administration

In keeping with the concept of a fine mind in a fine body, the board expanded its efforts to encourage staff to be healthier and more productive by sponsoring participation in programs geared to promote fitness and health.

Through the Personnel department the board took the opportunity to participate in government funded programs designed to provide work experience for Albertans.

Information Systems

This department continued to provide support in automated systems to all areas of the board.

The capability of the board's computer installation was enhanced by upgrading it to an IBM 3081G mainframe to provide 24 megabytes of main memory and 16 channels.

The decision to purchase equipment provided considerable savings in lease costs. The units purchased included equipment presently installed as well as those anticipated to June 1986. Additional disk drives, tape drives, terminal control units, terminals, microcomputers and printers were installed in a planned, timely manner.

The information centre concept continued to expand throughout the board and provide a valuable method for the departments to address

their own needs. This area is also responsible for supporting the office systems or word processing sites with related post-implementation reviews.

The office systems project mandate to update the board's word processing facilities continued to be addressed with the installation of additional word processing equipment in various departments on a gradual basis. A steering committee comprising the three executive directors closely monitors purchasing of this equipment and ensures the organization's requirements are provided for. The system's strategic plan continued to be addressed. This plan generally outlines several key activities during the next few years and provides necessary direction for Information Systems department management planning purposes. A business systems plan will be prepared in 1986 to document the direction and related strategies of the Information Systems department for the next five years.

Communications and Public Education

Activities by this area continued to support and enhance the board's communications and public education programs internally and externally. During the year over 140 meetings, seminars and public speaking engagements were held throughout the province. New printed and audiovisual material was produced for claimant and staff orientation as well as for use in all external communications activities; existing material was updated as necessary. Publication of the quarterly newsletter kept the board's clients abreast of changes and developments in workers' compensation policy and administration.

The quality of the board's audiovisual and publication efforts was acknowledged when our entries in the 1985 competition of the American Association of State Compensation Insurance Funds (AASCIF) in Baltimore, Maryland were awarded a first and second prize respectively.

Secretary of the Board

Fairness and impartiality in appeals

Reporting directly to the Board, the Secretary of the Board is responsible for the Claims Services Review Committee, the Assessment Review Committee, Internal Audit, Appeals Advisors, Appeals Registrars and Board area secretarial services.

1985 was the first complete year of operation in this area following the realignment of duties and responsibilities which resulted in the creation of this position.

Appeals to the Claims Services Review Committee and Assessment Review Committee dropped somewhat over 1984 but remain high in comparison to previous years. Both committees attempt to meet with appellants wherever possible.

Although the overall number of appeals decreased, appeals reaching the Board level increased marginally during 1985.

Appeals Advisors

To assist appellants, the board continues to provide the services of an appeals advisor without charge. The appeals advisors dealt with 840 inquiries during 1985, conducted 330 interviews and made representations on behalf of 163 appellants. The appeals advisors were also utilized by the board in some cases to identify or clarify the issues of appeal.

Claims Services Review Committee

The Claims Services Review Committee concluded 1,332 appeals in 1985, a reduction of 11% from 1,502 in 1984. One hundred and ten appeals remained outstanding as of December 31, 1985, versus 157 at the end of 1984.

The committee conducted 866 hearings in 1985, and arranged ten independent medical examinations. The committee altered the administration's decisions in 48% of the cases concluded.

John Hillary
Secretary of the Board

Assessment Review Committee

The Assessment Review Committee concluded 75 appeals on assessment matters — down from 108 in 1984; and 24 applications for cost relief under the provisions of section 89(2) of the Act — up from 18 in 1984. Forty-seven hearings were held. The committee altered the administration's decisions in 39% of the cases concluded. Cost relief under the provisions of section 89(2) was granted in 50% of the cases concluded.

Appeals to Members of the Board

The Board considered 628 claim files and 22 assessment files on appeal in 1985. A further 158 claim files were considered for other reasons (i.e. pension advances, lump sum settlement requests, etc.). The Board altered the administration's decisions in 43% of the claims cases considered and 14% of the assessment cases considered. The Board held 156 hearings during the year.

Internal Audit

Internal Audit's principal activities for 1985 were monitoring the development of new automated systems and carrying out compliance reviews of operational departments. The department's capabilities were enhanced when an experienced claims adjudicator was added to its staff to assist in reviewing and reporting on claims matters.

Finance

Good management and improved systems

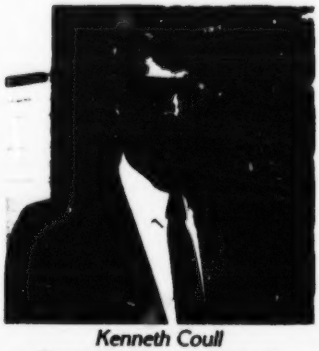
Good financial management continued to be the watchword of the board during 1985. This was geared toward ongoing efforts to bring the WCB to a fully funded position, establish a fair and equitable system of experience rating and obtain a satisfactory rate of return on investments.

Results of Operations and Review of Financial Position

In late 1984, with continuing concern for the forecast economic climate in Alberta, the Board again decided not to increase employers' rates of assessment for 1985. As a consequence, the slight growth which occurred in the economy gave rise to only a fractional increase to $345 million in the board's assessment income ($344 million in 1984). However, income from invested assets continued to improve, reaching almost $129 million during 1985 ($106 million in 1984) representing an average rate of return of 11.86 percent during the year (11.15 percent in 1984), and this helped to offset some significant increases in the cost of claims.

On the year's operations, the board recorded an operating deficit of $58 million which follows an operating deficit in 1984, after an extraordinary item, of $21 million. This deterioration in 1985 operations stemmed from both a decline in net revenue of $6 million or 2.4 percent and an increase in net expenditures of $51 million or 18.8 percent.

At year-end 1985, the board held $1.27 billion in assets to meet almost $1.40 billion in estimated future obligations. The resulting unfunded liability of $129 million, or 90.8 percent of a fully-funded position, is not of major concern due to its very long-run nature. However, steps have been taken by the board to ensure there is no further deterioration of this strong financial position.



Kenneth Coull
Executive Director, Finance

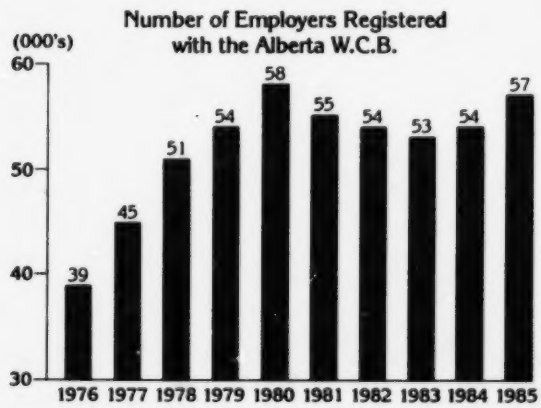
Assessment

A special effort had to be made to maintain the high level of service to the board's registered employers who numbered more than 60,000 in 1985. This was due to setbacks experienced during the development of a new assessment computer system. These setbacks severely restricted the department's ability to process employer reported information as promptly as desired. The understanding shown by employers during this period, as well as the efforts of staff, are greatly appreciated.

During 1986, activity will continue on development of the new computer system which ultimately will enable the department to provide employers with improved standards of service.

The Assessment department also continued to develop and update its published financial policy statements; introduced modifications to the new proprietor identification card program in response to identified special needs; initiated a review of the trucking industry's special problems; and planned for an updated system of industrial classification.

Year	Number of Employers Registered	Number of Class Accounts	Assessable Payroll (000's)
1976	38,641	41,215	$ 5,528,638
1977	44,711	47,531	6,531,111
1978	50,716	54,050	7,527,979
1979	53,578	57,148	8,822,631
1980	57,646	61,470	10,394,183
1981	55,006	59,076	13,034,082
1982	53,891	58,201	15,832,600
1983	53,370	57,743	15,194,084
1984	54,145	58,860	15,380,360
1985	56,567	61,342	16,246,732



Actuarial Services

Several significant changes, arising from the comprehensive financial review completed in 1984, were introduced during 1985.

In particular, a new industry based rating system to replace the previous class rating structure was developed and implemented by Actuarial Services. Effective 1986, this new rating system improves both the equity and fairness in the allocation among industries of the board's total revenue requirements. This key change will be discussed in detail with representatives of employer associations in early 1986.

In conjunction with the introduction of industry rate setting, Actuarial Services also developed and presented for public review a comprehensive proposal for individual employer experience rating. The new Experience Rating Program, which replaces the Merit Rebate/Super-Assessment Program, is a prospective rating system which modifies an employer's assessment rate based on past claims record compared to the average for the industry. Under the new program an employer with better than average experience will receive a discount of up to 40% from the industry rate of assessment, whereas an employer with worse than average experience will receive a surcharge of up to 40%.

Only those employers with total assessments of $3,000 or more over the last three years will be eligible for experience rating. Those employers with less than $3,000 in assessments within three years, will be assessed at the industry rate of assessment.

The Experience Rating Program was approved by the Board to be phased-in during 1986 and become fully effective January 1, 1987.

Financial Reporting Responsibility

The accompanying financial statements, and other financial information in this annual report, are the responsibility of management and have been approved by the Members of the Board. The financial statements have been prepared in accordance with generally accepted accounting principles, except as specifically described in Note 2 to the financial statements, and of necessity include estimates and approximations which reflect the careful judgements of management.

In meeting its responsibility for the reliability, integrity and consistency of the financial statements, management has developed, and maintains, systems of accounting and reporting which provide reasonable assurance and internal control regarding the proper authorization and recording of transactions. The Board ensures that management fulfills its responsibilities for financial reporting and internal control by meeting periodically with management and by reviewing reports of the internal and external auditors.

The Auditor General of the Province of Alberta is the auditor of the Board, in accordance with section 87(1) of the Act, and his opinion on the financial statements for the year ended December 31, 1985 follows.

TPF&C Limited have been appointed consulting actuaries to the Board for year-end 1985. Their opinion on the adequacy and appropriateness of the valuation of the Board's actuarial liabilities is presented following the notes to the financial statements.

K. C. Pals
Chairman and Chief Executive Officer

K. W. Coull
Executive Director, Finance

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

Auditor's Report

To the Members of The
Workers' Compensation Board

I have examined the balance sheet of The Workers' Compensation Board as at December 31, 1985 and the following statements for the year then ended:

Statement of Changes in Accident Fund Balance
Summarized Statement of Operating Transactions
Statement of Reserve for Unfinalled Claims
Statement of Pension Fund
Statement of Reserves for Specific Claim Costs
Statement of Administrative, General and Accident Prevention Expenses
Statement of Rehabilitation Centre Operations

My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Board as at December 31, 1985 and the results of its operations for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied, except for the change in the method of accounting for gains and losses on equities and after giving retroactive effect to the change in the method of accounting for the provision for unfinalled claims as explained in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Donald D. Salmon

C.A.
Auditor General

Edmonton, Alberta
April 9, 1986

Statement 1
Balance Sheet
As At December 31, 1985
(In thousands of dollars)

	1985	1984
ASSETS		
Deposits in trust (Note 4)	$ 78,566	$ 102,730
Term deposits (Note 4)	138,096	135,797
Assessments receivable (Note 5)	29,240	23,361
Accounts receivable	3,332	3,662
Advances to pensioners	3,224	3,620
Accrued interest	25,757	29,785
Investments (Note 4)	956,437	820,398
Land, buildings and equipment (Note 6)	12,804	8,208
Deferred charges and other assets (Note 7)	22,262	31,930
	$1,269,718	$1,159,491
LIABILITIES AND RESERVES		
Accounts payable	$ 3,450	$ 1,918
Employers' deposit accounts	309	305
Estimated merit rebates	76,375	73,900
Reserve for unfinalled claims	338,000	303,263
Pension fund	640,600	653,255
Reserves for specific claim costs	324,300	224,228
Reserve for loss on realization of investments (Note 4)	15,900	16,876
Accident fund balance (deficit)	(129,216)	(114,254)
	$1,269,718	$1,159,491

The accompanying notes are part of these financial statements.

Statement 2
Statement Of Changes In Accident Fund Balance
For The Year Ended December 31, 1985
(In thousands of dollars)

	1985	1984
Balance at beginning of year	$(114,254)	$(173,241)
Add:		
Operating surplus (deficit)	(57,722)	(20,928)
	(171,976)	(194,169)
Deduct:		
Write down of proposed facility (Note 6)	4,673	—
Transfer to (from):		
Reserve for unfinalled claims	1,735	(32,598)
Pension fund	(116,632)	(64,350)
Reserves for specific claim costs	67,464	17,033
	(42,760)	(79,915)
Balance at end of year	$(129,216)	$(114,254)

Statement 3
Summarized Statement Of Operating Transactions
For The Year Ended December 31, 1985
(In thousands of dollars)

	Self-Insurers	Industry	1985 Total	1984 Total
REVENUE				
Assessments	$10,144	$334,622	**$344,766**	$344,005
Deduct: Estimated or adjusted merit rebates	—	76,730	**76,730**	74,483
	10,144	257,892	**268,036**	269,522
Investment income	(1)	128,725	**128,724**	105,689
Deduct: Portion allocated (Note 8)	—	130,128	**130,128**	102,128
	(1)	(1,403)	**(1,404)**	3,561
	$10,143	$256,489	**$266,632**	$273,083
EXPENDITURE				
Claim costs (Note 9)	$ 9,172	$258,823	**$267,995**	$233,547
Deduct portion charged to:				
Reserves for specific claim costs	656	76,703	**77,359**	64,881
Reserve for unfinalled claims	—	98,573	**98,573**	89,456
	8,516	83,547	**92,063**	79,210
Provision for:				
Reserves for specific claim costs	—	91,196	**91,196**	63,124
Reserve for unfinalled claims	—	101,399	**101,399**	93,479
Administrative and general expenses	1,426	29,474	**30,900**	28,676
Occupational Health and Safety (Note 10)	201	5,979	**6,180**	6,296
	$10,143	$311,595	**$321,738**	$270,785
PROVISIONAL SURPLUS (DEFICIT)	$ —	$ (55,106)	**$ (55,106)**	$ 2,298
Deduct: Appropriation for reserve for loss on realization of investments			**2,616**	1,297
Surplus refunds (Note 11)			**—**	21,929
OPERATING SURPLUS (DEFICIT)			**$ (57,722)**	$ (20,928)

Statement 4
Statement Of Reserve For Unfinalled Claims
For The Year Ended December 31, 1985
(In thousands of dollars)

	1985	1984
AMOUNTS PROVIDED		
By industry in respect of current year	$101,399	$ 93,479
Investment income (Note 8)	30,176	28,256
	131,575	121,735
AMOUNT APPLIED		
Claim costs in respect of prior years (Note 9)	98,573	89,456
NET INCREASE	33,002	32,279
Balance at beginning of year	303,263	303,582
	336,265	335,861
Transfer from (to) accident fund balance	1,735	(32,598)
BALANCE AT END OF YEAR	$338,000	$303,263

Statement 5
Statement Of Pension Fund
For The Year Ended December 31, 1985
(In thousands of dollars)

	1985	1984
AMOUNTS PROVIDED		
Pension awards (Note 9)	$107,803	$ 95,030
Investment income (Note 8)	77,527	73,021
Province of Alberta (Note 12)	16,186	13,924
	201,516	181,975
AMOUNT APPLIED		
Payments to pensioners	97,143	61,572
Deduct: Increase (decrease) in advances to pensioners	(396)	507
Pension payments	97,539	61,065
NET INCREASE	103,977	120,910
Balance at beginning of year	653,255	596,695
	757,232	717,605
Transfer from (to) accident fund balance	(116,632)	(64,350)
BALANCE AT END OF YEAR	$640,600	$653,255

Statement 6
Statement Of Reserves For Specific Claim Costs
For The Year Ended December 31, 1985
(In thousands of dollars)

	Rehabilitation	Enhanced Disabilities	1985 Total	1984 Total
AMOUNTS PROVIDED				
By industry in respect of current year	$14,679	$ 76,517	$ 91,196	$ 63,124
Investment income (Note 8)	3,259	19,166	22,425	851
	17,938	95,683	113,621	63,975
AMOUNTS APPLIED				
Claim costs (Note 9)	9,115	68,244	77,359	64,881
Rehabilitation Centre:				
Special apparatus for claimants	—	—	—	59
Operating deficit	491	—	491	869
Administrative and general expenses	3,163	—	3,163	3,046
	12,769	68,244	81,013	68,855
NET INCREASE (DECREASE)	5,169	27,439	32,608	(4,880)
Balance at beginning of year	31,580	192,648	224,228	212,075
	36,749	220,087	256,836	207,195
Transfer from (to) accident fund balance	1,751	65,713	67,464	17,033
BALANCE AT END OF YEAR	$38,500	$285,800	$324,300	$224,228

Statement 7
Statement Of Administrative, General and Accident Prevention Expenses
For The Year Ended December 31, 1985
(In thousands of dollars)

	1985	1984
Salaries and employee benefits	$26,318	$25,307
Data processing and office equipment rentals and maintenance	1,734	1,731
Depreciation of buildings and equipment	1,133	325
Maintenance, rental and operation of buildings	787	756
Telephone and telegraph	694	666
Travelling	556	535
Printing and office supplies	550	503
Postage, freight and express	526	481
Professional and technical memberships, publications, courses and seminars	335	215
Taxes	320	314
Audit, legal and other professional fees	228	231
Staff recruitment and relocation	126	59
Media productions and advertising	106	65
Insurance and security services	94	4
Miscellaneous	85	93
	33,592	31,285
Add:		
Occupational Health and Safety (Note 10)	6,180	6,296
Alberta Health Care administration cost	180	135
Administrative claim costs	536	554
	6,896	6,985
Deduct:		
Rental revenue	14	28
Miscellaneous revenue	231	224
	245	252
	$40,243	$38,018
CHARGED TO:		
Industry re:		
Administrative and general	$29,474	$27,293
Occupational Health and Safety	5,979	6,095
Self-insurers re:		
Administrative and general	1,426	1,383
Occupational Health and Safety	201	201
Reserve for rehabilitation	3,163	3,046
	$40,243	$38,018

Statement 8
Statement Of Rehabilitation Centre Operations
For The Year Ended December 31, 1985
(in thousands of dollars)

	1985	1984
REVENUE		
Treatment charges	$5,220	$4,792
Other	273	175
	5,493	4,967
EXPENDITURE		
Salaries and employee benefits	4,533	4,510
Maintenance and operation of building and equipment	454	422
Medical and therapy supplies	334	242
Depreciation of building and equipment	192	191
Cafeteria	151	165
Telephone and telegraph	81	84
Transportation of patients	56	49
Professional and technical memberships, publications, courses and seminars	40	41
Laundry service and uniforms	36	31
Travelling	19	18
Printing and office supplies	18	19
Medical consulting fees	15	6
Staff recruitment and relocation	14	8
Miscellaneous	41	50
	5,984	5,836
OPERATING SURPLUS (DEFICIT)	$ (491)	$ (869)

Notes To The Financial Statements
December 31, 1985

1. AUTHORITY

The Workers' Compensation Board operates under the authority of the Workers' Compensation Act, Chapter W-16, Statutes of Alberta, 1981, as amended.

2. SIGNIFICANT ACCOUNTING POLICIES

General:

These financial statements have been prepared in accordance with generally accepted accounting principles except for the following:

(i) A gain or loss on sale of a fixed term investment is deferred and amortized to the lesser of ten years or the appropriate maturity or call date of the disposed investment.

(ii) A gain or loss on sale of an equity is deferred and amortized to investment income at 15% per annum, applied to the unamortized balance. Unrealized gains and losses are also amortized to investment income at 15% per annum, applied to the unamortized balance.

(iii) Assessment revenue is adjusted by the allowance for doubtful assessments receivable.

Assessments Receivable:

Assessments receivable and assessment revenue are increased by an amount that is the net adjustment estimated to be required when all employers' payroll returns are received and payroll audits completed in respect to 1985.

Depreciation:

Depreciation is recorded as follows:

Central office building	2½% diminishing balance
Regional office buildings and Rehabilitation Centre	2½% straight line
Equipment — Data processing	35% diminishing balance
— Other	15% diminishing balance
Automobiles	25% straight line (first year)
	20% straight line (thereafter)

Translation of Foreign Currency:

All assets and liabilities held in foreign currency are translated into Canadian dollars at the exchange rate prevailing at the balance sheet date except investments and term deposits which are translated at historical exchange rates.

Actuarial Liabilities:

Actuarial liabilities are the amounts estimated to be required to meet the future cost of claims in respect of current and prior years' accidents and are reviewed annually by an independent consulting actuary. The reserves and fund balances are maintained equal to the actuarial liabilities.

Accident Fund Balance Transfers:

Where there is a shortfall or excess between a reserve or fund balance and the calculated present value of the liability as at the balance sheet date, the difference is transferred from or to the Accident Fund Balance.

3. CHANGES IN ACCOUNTING POLICIES

Gains and Losses on Equities:

Prior to 1985, a gain or loss on sale of an equity and unrealized gains and losses were deferred and amortized to investment income at 7% per annum.

In 1985, the percentage per annum to be amortized to investment income is increased from 7% to 15%. The effect of this change in accounting policy is to increase investment income in 1985 by $4,964,000. This change in accounting policy has not been applied retroactively.

Provision for Unfinalled Claims:

In 1985, the Board adopted the practice of charging the adjustments relating to prior years' provision in the Reserve for Unfinalled Claims to the Accident Fund Balance rather than to the Statement of Operating Transactions. The effect of this change is to reduce the operating surplus for 1984 from $1,999,000 to a deficit of $20,928,000 but does not change the 1984 Reserve for Unfinalled Claims nor Accident Fund Balance.

4. DEPOSITS IN TRUST, TERM DEPOSITS AND INVESTMENTS

Deposits in trust consist of deposits in the Consolidated Cash Investment Trust Fund of the Province of Alberta.

Term deposits are recorded at amortized cost and consist of certificates of deposit, guaranteed investment certificates, treasury bills and promissory notes.

Investments are recorded at amortized cost with the exception of real estate and equities which are at cost.

The approximate market value of investments as at December 31, 1985 amounts to $1,071,848,000 (1984 — $842,497,000).

The reserve for loss on realization of investments as at December 31, 1985 amounts to $15,900,000 (1984 — $16,876,000) and is to provide for possible future losses. Provision for the year consists of an appropriation of $2,616,000 (1984 — $1,297,000) and an offsetting write down of a real estate investment in the amount of $3,592,000 causing a net reduction in the reserve of $976,000.

5. ASSESSMENTS RECEIVABLE

In accordance with the accounting policy described in Note 2, assessments receivable and assessment revenue have been increased by $21,709,000 (1984 — $16,628,000).

The allowance for doubtful assessments receivable as at December 31, 1985 amounts to $3,500,000 (1984 — $3,200,000). Net bad debt write offs totalling $890,000 (1984 — $1,264,000) have been charged to the allowance. Assessments receivable in the balance sheet are disclosed net of the allowance for doubtful assessments receivable.

6. LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment are as follows (in thousands of dollars):

	1985			1984
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	$ 604	$ —	$ 604	$ 604
Buildings	9,402	3,463	5,939	6,141
Equipment	9,069	2,808	6,261	1,463
	$19,075	$6,271	$12,804	$8,208

On August 19, 1982 the Board entered into an Option Agreement to acquire land from the Canadian National Railway Company, subject to certain conditions, for the price of $10,584,000 for the purpose of constructing an administration and rehabilitation centre facility. A payment of $3,000,000 is included in deferred charges and other assets in the balance sheet. Conditions have been met which allow the Board until July 12, 1986 to pay the balance of the purchase price.

Prior to 1985, the costs incurred for the development of the proposed administration and rehabilitation centre facility were included in deferred charges and other assets. In 1985, decisions were reached not to proceed with the proposed facility and to write off these costs in the amount of $4,673,000 to the Accident Fund Balance.

In 1985, the Board purchased data processing equipment previously on lease and acquired additional data processing equipment. The total payment in 1985 was $5,749,000.

7. DEFERRED CHARGES AND OTHER ASSETS

Deferred charges and other assets are as follows (in thousands of dollars):

	1985	1984
Unamortized gain or loss on sale of fixed term investments, net (Note 2(i))	$14,207	$23,167
Amortized gain or loss on equities, net (Note 2(ii))	4,835	982
Deposit for purchase of land (Note 6)	3,000	3,000
Costs incurred for proposed facility (Note 6)	—	4,621
Unamortized software license costs	220	160
	$22,262	$31,930

8. INVESTMENT INCOME ALLOCATION

Investment income has been allocated as follows (in thousands of dollars):

	1985	1984
Reserve for unfinalled claims	$ 30,176	$ 28,256
Pension fund	77,527	73,021
Reserves for specific claim costs	22,425	851
	$130,128	$102,128

9. CLAIM COSTS

Claim costs are as follows (in thousands of dollars):

	Self-Insurers	Industry 1985	Industry Prior Years	1985 Total	1984 Total
Compensation	$2,901	$50,375	$63,059	$116,335	$98,274
Pension awards	3,780	21,241	81,429	106,450	93,850
Medical aid	2,491	18,816	23,903	45,210	41,423
	9,172	90,432	168,391	267,995	233,547
Deduct portion charged to:					
Reserves for specific claim costs	656	6,885	69,818	77,359	64,881
Reserve for unfinalled claims	—	—	98,573	98,573	89,456
	$8,516	$83,547	$	$ 92,063	$79,210

Medical aid includes reimbursements to Alberta Health Care Insurance Fund for payment of basic health services provided to injured workers in the amount of $9,855,000 (1984 — $9,934,000). It also includes treatment charges in the amount of $5,493,000 (1984 — $4,967,000) incurred on behalf of injured workers treated at the Board's Rehabilitation Centre.

Pension awards are net of recoveries credited to employers' accident experience in the amount of $1,353,000 (1984 — $1,180,000). These pension award recoveries are retained in the Pension Fund.

10. OCCUPATIONAL HEALTH AND SAFETY

In accordance with Order in Council 120/85 dated February 27, 1985 the Board paid to the Provincial Treasurer an amount of $6,180,000 in 1985 to partially defray the costs of administering the Occupational Health and Safety Act.

11. SURPLUS REFUNDS

In 1984, the Board refunded to employers within particular classes a portion of accumulated class balance surpluses. The total amount refunded was $21,929,000.

12. ADDITIONAL PAYMENTS OF COMPENSATION

Reimbursement is received from the General Revenue Fund of the Province of Alberta to cover payments made under Sections 42, 52 and 71 of the Act.

13. COMPARATIVE FIGURES

The 1984 figures are restated where necessary to conform to 1985 presentation.

14. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board.

TPF&C

Actuarial Opinion

To the Members of The
Workers' Compensation Board:

After consultation with me, the Actuarial Services department of The Workers' Compensation Board has made an evaluation of the liabilities for Unfinalled Claims, the Pension Fund and for Specific Claim Costs of the Board at December 31, 1985. This evaluation was based on the provisions of the Workers' Compensation Act in effect at December 31, 1985. However, as in previous evaluations, the funding policy of the Board has been reflected by including in the evaluation an allowance for potential future legislated benefit increases.

In my opinion,

1. the evaluation conforms to the Recommendations of the Canadian Institute of Actuaries;
2. the amounts of the liabilities for Unfinalled Claims ($338,000,000), the Pension Fund ($640,600,000) and for Specific Claim Costs ($324,300,000) make proper provision for expected future payments for which the Accident Fund is financially responsible under the Workers' Compensation Act.

TPF&C LIMITED

Mark W. Campbell, F.S.A., F.C.I.A.

Edmonton, Alberta
April 9, 1986

Investment Portfolio
As At December 31, 1985
(In thousands of dollars)

SECURITY	1985 BOOK VALUE	1985 MARKET VALUE	1984 BOOK VALUE	1984 MARKET VALUE
INVESTMENTS				
Bonds				
Government of Canada and Provincial guaranteed	$ 648,109	$ 694,973	$ 523,283	$ 520,335
Corporate and other	98,752	105,641	97,931	98,700
	746,861	800,614	621,214	619,035
Mortgages				
N.H.A. guaranteed	23,150	23,946	23,767	24,503
Commercial	23,950	27,304	22,348	23,174
	47,100	51,250	46,115	47,677
Real Estate	24,421	24,347	17,248	17,312
Equities				
Preferred shares	3,948	5,210	4,220	4,866
Common shares	133,291	188,644	130,812	152,430
Warrants	816	1,783	789	1,177
	138,055	195,637	135,821	158,473
TOTAL INVESTMENTS	956,437	1,071,848	820,398	842,497
DEPOSITS IN TRUST	78,566	78,566	102,730	102,730
TERM DEPOSITS	138,096	142,769	135,797	144,353
TOTAL INVESTMENT PORTFOLIO	$1,173,099	$1,293,183	$1,058,925	$1,089,580

Contained within the total investment portfolio is $104,929,000 (1984 — $94,656,000) acquired through the Board's United States accounts.

A detailed listing of investments is available upon request.

Unaudited.